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SUBJECT: UKRAINE: PRESIDENT'S DEMANDS STRAIN OU; REGIONS  
TRIES TO SLOW THINGS DOWN

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Classified By: Ambassador for reasons 1.4(b,d).

11. (C) Summary. While the parties are slowly going through the procedures to prepare for a new Rada, the orange coalition is either close to completion or teetering on the edge of self-destruction, reportedly pushed by President Yushchenko, his Chief of Staff Baloha, and NSDC Secretary Plyushch. Presidential demands focus on a Tymoshenko statement putting aside her presidential ambitions and supporting Yushchenko, and OU faction agreement to support either Plyushch, or possibly Volodymyr Lytvyn, as Speaker. Former OU Justice Minister and party insider Roman Zvarych was confident that an orange coalition could emerge after the Rada opened, but he worried that Yushchenko would demand too much from his own bloc, insist on nominating Plyushch as Speaker against the wishes of the faction and thereby destroy Our Ukraine and his own reelection chances in the process. Yuliya Tymoshenko echoed these concerns, arguing that Yushchenko's new-found support for Plyushch was a pretext to collapse the orange coalition and move into some form of cooperation with Regions. She calculated that since a formal broad coalition would never get enough votes, Yushchenko's team and Akhmetov/Yanukovych would reach an agreement where there would be no coalition and Yanukovych would stay in place for the next year in an acting capacity. Regions faction leader Raisa Bohatyreva told the Ambassador that Regions was prepared to go into opposition, but would continue to demonstrate to the President that it was ready for a broad coalition. Meanwhile, BYuT, OU-PSD, and the Lytvyn Bloc have tried to kickstart the preparatory group that must meet to set the opening date and agenda for the new Rada, but have been stymied all week by Regions' claims that they are not able to participate because their MPs have not been registered by the Central Election Commission (CEC). Regions claims, however, are somewhat undercut by the fact that they delayed submitting their documentation to the CEC until November 9, which Zvarych attributed to them simply trying to hold up the process.

12. (C) Comment. Regions' procrastination in registering and participating in the preparatory group would seem to be a bid to buy more time hoping that internal disagreements between the President's team, OU-PSD, and BYuT will continue to eat away at the orange coalition. Yushchenko's public statements continue to talk about an orange coalition, although he is also pushing the idea of rapprochement between Tymoshenko and Yanukovych, reportedly the subject of a November 7 meeting with Tymoshenko. Presidential Chief of Staff Baloha told the Ambassador that the two sides are close to agreement on a coalition -- but we believe that the sticking point is whether or not the President can convince the OU-PSD faction to support either Plyushch or possibly Lytvyn as Speaker, and

whether this could bring about the OU-PSD implosion feared by Zvarych; Tymoshenko's team has indicated that it will support any OU candidate. Our take is that, if skillfully managed, the President could get OU-PSD faction support for his choice as Speaker, and certainly Plyushch or Lytvyn would be more acceptable to Regions as an opposition party in a future Rada. Lytvyn continues to be coy about his future, noting in the press again that his bloc could support the creation of an orange coalition without being a member of it. However, as Regions acknowledges, talks still continue between Regions and the President, despite the fact that everyone we have spoken with from OU-PSD, BYuT, and elsewhere is convinced that a formal coalition between Yushchenko and Regions will spell the end of the President's already slim chances at reelection. End summary and comment.

Zvarych: We Can Still Do Orange, If the President Helps  
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13. (C) Former Justice Minister Zvarych told the Ambassador November 8 that since the September 30 elections Regions has argued that the President and OU broke their promise to establish a broad coalition in the new Rada. He acknowledged that OU had certainly talked about this as a possibility with Regions, but there was never a commitment or final agreement.

He doubted that Yushchenko had ever agreed to such a deal, although admitted that perhaps Plyushch and Baloha could have. Zvarych said that senior Regions MP Kolesnikov had approached him about the broad coalition, first arguing that they should work together on ideological grounds, then changing tactics and suggesting that Zvarych might have a "personal motivation" for cooperating (a bribe, or perhaps help with a business). Zvarych said that he had laughed -- it was clear that he was not in politics for the money and that he had no businesses to speak of. He noted that others in OU had also been approached by Regions. He recalled that Regions had not exactly been supportive of him when he was in the Yanukovych Government, so he wasn't sure why he should

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help them out now.

14. (C) Turning to the process of forming a coalition, Zvarych first clarified his "quotes" in Ukrainska Pravda about his "support" for NSDC Secretary Plyushch as Rada speaker. He said that in the full interview, the journalist had asked if the President asked him to vote for Plyushch, what would he do. According to Zvarych, he had no choice but to say that he would support Plyushch, because he would not go on record saying that he would oppose the President. In his view though, the vote for Speaker would be the critical first test for a possible orange coalition; the vote for Prime Minister would be the last hurdle to pass. Zvarych predicted that if Kyrylenko's name was put forward -- and Kyrylenko was the faction's choice, although Kyrylenko himself had apparently urged the faction to wait on the President's decision for this -- he would be elected by more than 228 votes. Because this would be a secret ballot, votes for the Speaker would likely come from all of OU-PSD, most of BYuT (he thought that Regions would succeed in getting 5-7 BYuT members to stay home or vote against) and some or all of the Communists -- they were in the Rada for "business reasons" -- all that BYuT had to do was cut a deal with CPU leader Symonenko and for a price, they would support the orange choice for Speaker. The next step, adopting the 12 laws required by Yushchenko, according to Zvarych, was foolish. All that was really needed was the adoption of a new CabMin law - the other laws could wait and be dealt with by the Rada later. He thought that the orange team would need to move quickly to conclude the coalition agreement and get the Speaker's vote done immediately. The formal nomination of the PM would come in a few days after that.

15. (C) Zvarych said that the main problem in implementing this scenario and creating the orange coalition was the President -- it was his to destroy. If Yushchenko allowed

the vote to go forward for Kyrylenko, then it would show that the President respected the faction's wishes and was willing to allow an orange coalition to emerge. However, Zvarych thought that the President could order Kyrylenko, who would obey, to go to the faction and argue for Plyushch as the Speaker. If that happened, this would be a signal to all that Yushchenko did not want an orange coalition; the faction/party/bloc would collapse and the President would lose his chance to be reelected. Zvarych believed more than half of OU would immediately move to BYuT; he would be among them. If Yushchenko tried to move toward a broad coalition with Regions, only 25 OU-PSD deputies would go with him. Even with Lytvyn Bloc support, a broad coalition would need Communist Party support. For the President to end up in a coalition with the Communists would be akin to committing political hari-kari. In Zvarych's view, the President does not understand that this would be the consequence of his decision to push Plyushch forward as Speaker.

Tymoshenko: Plyushch Is Latest Form of Sabotage  
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16. (C) Tymoshenko also met with the Ambassador on November 8, just after she met with Baloha. She argued that Baloha and Plyushch, with Yushchenko's encouragement, were trying to sink the orange coalition so that they can pursue some form of broad coalition, even if on an informal basis. Many of her points echoed what Zvarych had already told us. She said Baloha has been throwing up radical conditions for an orange coalition and she had agreed to almost everything. So now, instead of trying to push BYuT to give up and quit, Baloha was trying to force a split within OU-PSD as a means to sabotaging the orange government. According to Tymoshenko, Baloha told her that on November 9 Yushchenko would ask Kyrylenko to withdraw his candidacy for Speaker, so that the President can nominate Plyushch instead, which will lead to one of two outcomes. Either OU-PSD will be so unhappy that the faction will split rendering an orange coalition impossible or OU-PSD will get in line behind the President, but Speaker Plyushch will make life so difficult for the orange coalition that it will implode. Tymoshenko claimed that Baloha has already secured Akhmetov's agreement that some Regions MPs will vote for Plyushch to make sure he is elected. Lutsenko has told Tymoshenko, she said, that he and PSD will never vote for Plyushch if Regions does, but instead will not participate in any coalition. Tymoshenko added that she had met with Yushchenko on November 7, but she had failed to convince him not to nominate Plyushch. Both Tymoshenko and her deputy Oleksandr Turchynov expressed doubt about Plyushch's ability to do the job, citing his age and lack of engaged leadership at the NSDC.

17. (C) Tymoshenko also said that there will not be a broad coalition even if the orange variant fails; Yushchenko

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dissolved the previous Rada convocation based on the argument that individual MPs cannot help form the coalition. The fact that Yushchenko has control over 8-15 MPs -- including, in her estimation, FM Yatsenyuk, DefMin Hrytsenko, Plyushch, former PM Yekhanurov, Sobor leader Matviyenko, UNP leader Kostenko, and Baloha relatives Kril and Petyovka -- would not be enough to create a broad coalition. (Note. Plyushch, Petyovka, and Kril also have still not signed the coalition agreement. At least one is needed to give the agreement the 226 signatures needed to register it in the Rada. End note.) They would need the whole OU-PSD faction to meet and vote to join a broad coalition, something Tymoshenko said would never happen. Instead, she believed the most likely outcome would be that there will be no coalition, Yanukovych will remain acting prime minister for the next year, and Yushchenko and Akhmetov will reach agreement on issues on a situational basis. This, she added, spelled the end of Yushchenko's political career, unless he also agreed the President should be elected by the Rada. However, at a November 10 meeting, Turchynov told the Ambassador that BYuT was making progress

in getting positive signals about possible support from Lytvyn and his bloc. Turchynov said that the bloc would prefer Kyrylenko as Speaker, but would be happier with Lytvyn than Plyushch.

18. (C) In addition, Tymoshenko said Baloha laid out two other conditions at the meeting. One was her agreement to changes in the law on local self-government that would eliminate the Cabinet's role entirely in appointing governors and raion heads. (Note. Right now the constitution and law say that the Cabinet makes nominations for oblast and raion administration heads to the President, who approves or rejects the candidates. Therefore, the legal amendment Tymoshenko described would seem to violate the constitution, as she argued it would. End note.) The final condition was that she make a public pledge within the next few days that she will back Yushchenko in the next presidential race, a condition she has said repeatedly she will meet if the orange government actually comes together and begins working. When the Ambassador had a brief encounter with Baloha later the same day, he said that there were only two issues outstanding -- only one of which involved Tymoshenko. (Embassy Note: Presumably, this would be the public pledge to support Yushchenko as a presidential candidate; we suspect that the other issue involves Yushchenko's choice for Speaker. End Note.)

#### Regions - Preparing for Opposition?

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19. (C) During a November 8 meeting with the Ambassador, Regions' faction leader Raisa Bohatyreva was relaxed about the prospect of heading into opposition, noting that the party leadership was already thinking about how to strengthen its party organization in preparation for the next round of elections. She said that the party leadership was being criticized by the more radical elements in the party for having agreed to the pre-term elections and then "losing them," so there was a lot of soul-searching within the party about how to avoid that in the future. Bohatyreva, an experienced parliamentarian, said that in her view, as the opposition there would be less responsibility for governing, and therefore, more time to devote to strengthening the party. However, this position was "not acceptable" to others in the party who were now in government, so they continued to seek ways to ensure that a broad coalition could be established, with Regions at its head. As a result, there was a continuing dialogue with the presidential secretariat -- not very lively or intense -- but it continued. According to Bohatyreva, Regions was doing its best to be as conciliatory as possible toward the President, in order to give him the political ground to form a broad coalition.

110. (C) Bohatyreva thought that a democratic coalition was still possible, but only with Plyushch rather than Kyrylenko as Speaker. However, even if Plyushch got the Speaker post, it was not clear that Tymoshenko would get her 228 votes. In her view, it did not matter whether Tymoshenko became PM or not; the one who would be vulnerable would be Yushchenko. All three forces were thinking about the presidential election, not the current parliament. Bohatyreva said that if she were Yushchenko, she would concentrate on amending the constitution, not the parliament. In her view, he should watch, but not be responsible for forming the orange coalition. Bohatyreva said that Regions supported the idea of Plyushch rather than Kyrylenko as the next Speaker. In Regions' view, Plyushch is "experienced, skilled and better able to bring powerful political forces together." In addition, Plyushch was "closer in spirit to the President than Kyrylenko." In an earlier meeting the same day,

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Presidential Administration Deputy Head Chaliy made the same argument to the Ambassador, noting that Kyrylenko was too young and inexperienced to moderate between political forces, and that Plyushch, or Lytvyn would be able to do it. In his

view, Yushchenko had no option but to "go orange," however, he wanted to "coopt Regions into cooperation" while he was doing it.

#### Preparatory Group Off to a Bad Start

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¶11. (C) The preparatory group that should be setting the agenda for the new Rada, picking a date for the opening, and agreeing to the list of committees, has started on an inauspicious note, convening three times this week and then closing quickly due to lack of quorum. Speaker Moroz called the first meeting on November 6, as required by the Rada rules of procedure, and all 10 BYuT representatives, 4 of 5 from OU-PSD (Lutsenko was out sick), Lytvyn Bloc's one rep Ihor Sharov, Bohatyreva from Regions, and the Communists' two representatives all attended. However, Bohatyreva and the Communists immediately announced that their factions had not yet been registered and that they would not participate in the preparatory group until they were, then left. (Note. Bohatyreva did not mention that it was Regions' own fault its MPs were not yet registered, since they had not submitted their documents to the CEC. End note.) The group can only make decisions if 16 members are present; Moroz is not a member of the group, he just calls the meeting, so there were only 15 members in attendance (although Zvarych told us that OU had substituted someone for Lutsenko the day he was ill so that they would always have a quorum).

¶12. (SBU) Moroz moved that Communist representative and First Deputy Speaker of the last convocation Martynyuk be named chairman of the prep group. Tymoshenko countered by nominating OU-PSD's Roman Zvarych. The chairman runs the prep group and is automatically part of the 5-member temporary presidium that will chair Rada sessions until a Speaker is elected. The other four members of the presidium will be put forward by the four largest factions (i.e. everyone but the Lytvyn Bloc), so holding the chairmanship of the prep group could give one faction a second member of the presidium. This could be important for factions such as OU-PSD who have talked about reordering the opening agenda to vote on the 12 laws in the coalition agreement. Because there was no quorum, no decision was taken.

¶13. (C) Zvarych argued to the Ambassador that Regions had no legal grounds for saying they could not participate in the preparatory group meetings until they were registered with the CEC -- the credentials issued by the CEC merely acknowledged the deputy-elect's status, and eligibility to take the oath of office and participate in the first meeting of the Rada. All were surprised by Regions' view, and when Bohatyreva walked out of the meeting, the two Communist reps (in Zvarych's view, not briefed about this) were surprised and jumped up to follow her out so as not to look stupid. Zvarych acknowledged that he had been put forward by the orange team as head of the group, but thought that a better choice would have been Sharov, which would give orange (BYuT 10 and OU-PSD 5) plus Lytvyn 16 out of 30 votes and a majority. Instead, Zvarych worried that they would be deadlocked at 15-15 for a while, with Sharov voting against orange. Zvarych said that he could not explain Regions' approach, but could only guess that they were trying to show force - "without us, you can't do anything" - but that was odd since "they were not negotiating with Orange either."

¶14. (C) Bohatyreva acknowledged that Regions was procrastinating in joining the work of the preparatory group, with the hope that OU would split from the inside or make a solid decision to join the orange coalition. However, she was confident that once the Regions representatives joined the group, the necessary work of choosing an opening date for the Rada and setting the agenda would be accomplished quickly. Bohatyreva noted that Regions was supporting Communist representative Martynyuk as head of the preparatory group. However, they would need to get Lytvyn's representative to support Regions and the Communists in order to have a 16-14 majority. Although the orange parties were calling for an opening session on November 20, she noted that



Regions would prefer a slightly later start date of November 23 (still within the 30-day window following the promulgation of the official results -- November 26).

¶15. (C) Moroz called a second prep group meeting on November 7, to which only members of BYuT and OU-PSD showed up. Lytvyn gave a press interview in which he called on all five factions to hold an urgent meeting to set a date for opening

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the Rada and settle other technical aspects related to the opening. He also expressed concern at the confrontational nature of the prep group's first meeting. A third meeting was called November 8, which was attended by BYuT and OU-PSD.

The meeting, like the previous two, was immediately closed due to lack of quorum. On behalf of Regions, Justice Minister Oleksandr Lavrynovych and MP Taras Chornovil told the press that their faction finally submitted their documents on November 7 and hoped to be registered on November 9. (Embassy Note: It appears that Regions planned to submit their documents to the CEC on November 9. End note.) First Deputy PM Azarov said on November 8 that Regions will begin participating in the prep group on November 12; Bohatyreva told the Ambassador the same thing.

¶16. (U) Visit Embassy Kyiv's classified website:  
[www.state.sgov.gov/p/eur/kiev](http://www.state.sgov.gov/p/eur/kiev).  
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